Aegis Briefing

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& Entrepreneurship

Today's Session

- Introductions
- Working successfully in teams
- Starting Points for ideas
- Sense-making the context
- Designing a response
- Evaluating and Developing ideas
- Business Plans
- Formative Pitch

Working successfully in Teams

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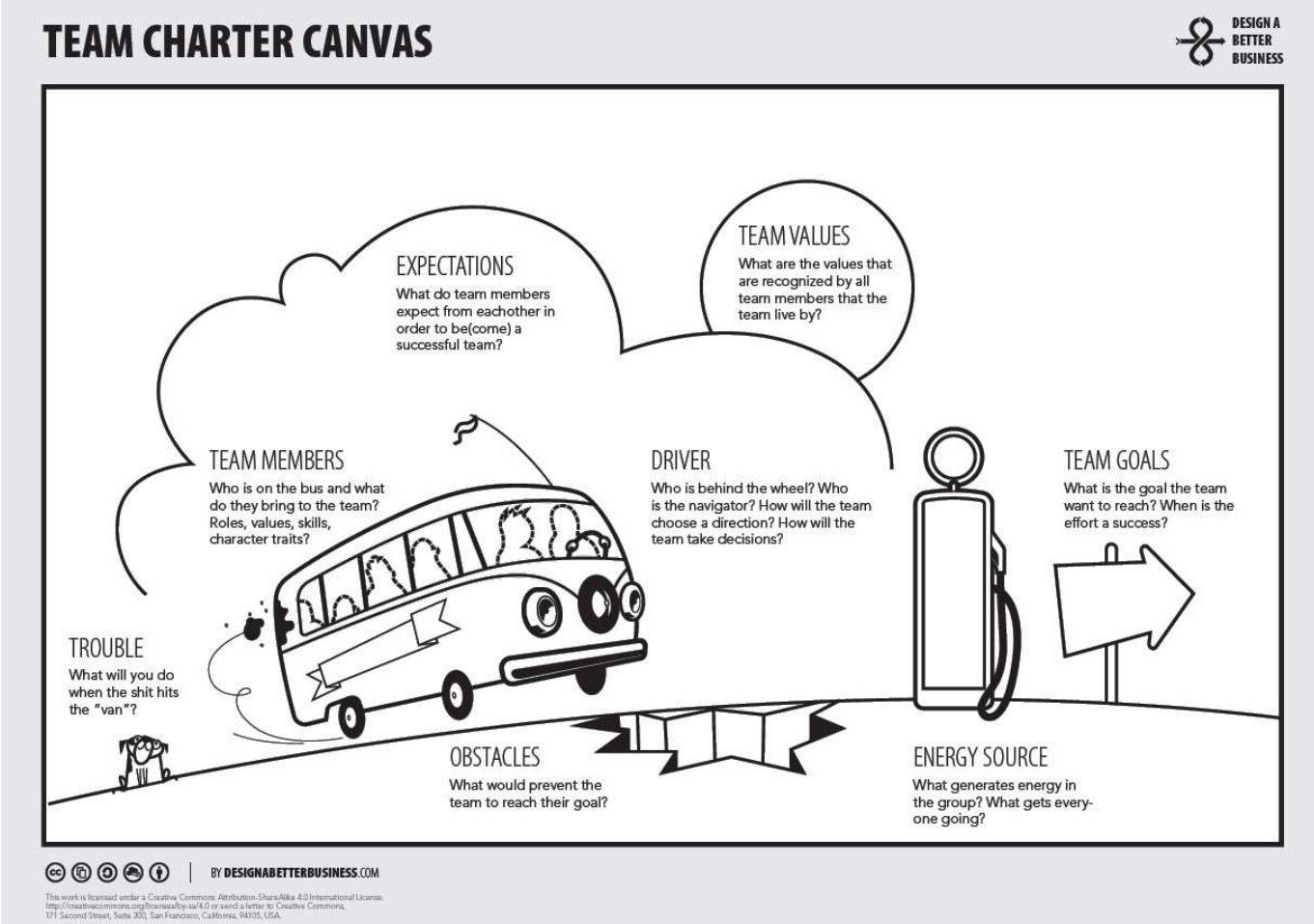
Working in groups: contributions, roles, and rules

- Think about your individual **goals** and for the challenge:
  - Write 3 down – what are you hoping to get by participating?
- What is everyone bringing to the project; specific **skills** or **interests**?
  - Write 3 things down you think you can bring to the team or challenge?
- What are you less confident of? What might be something you need to work on?
  - Write down 3 things that might be a stretch or personal challenge

- Discuss!
  - How can you make the most of what you have (and patch what you don't)?
  - Consider formal roles or allocated duties
  - Set some **Ground Rules** for how you'll meet, communicate, and manage tasks.

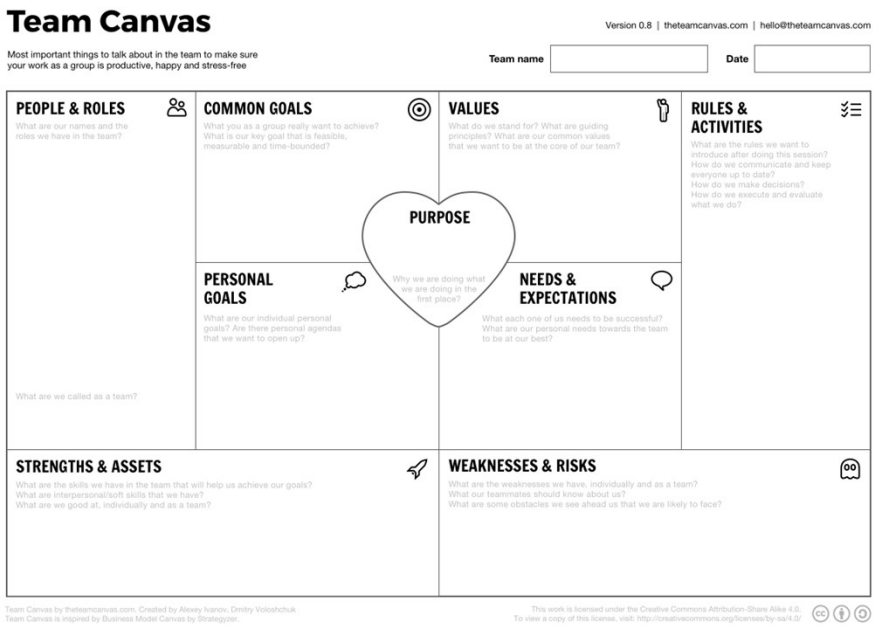
Team Charter Canvas



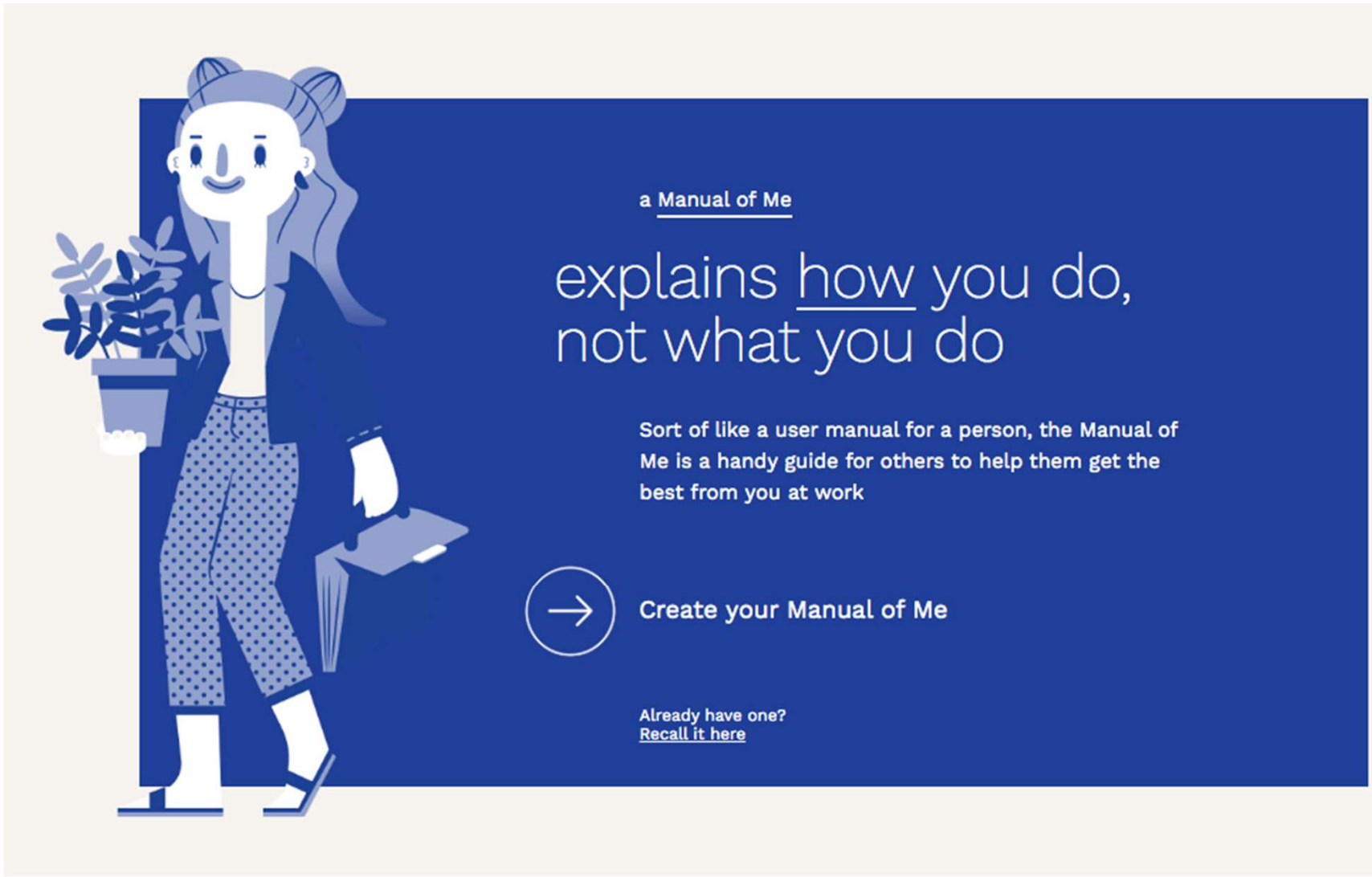
https://www.designabetterbusiness.tools/tools/team-charter-canvas

Good Practice: Next Steps

- You may go through Tuckman's Stages:
  - Forming
  - Storming
  - Norming
  - Performing
- Plan to do so – don't pretend you won't!
- Do some alignment work together:
  - http://theteamcanvas.com/

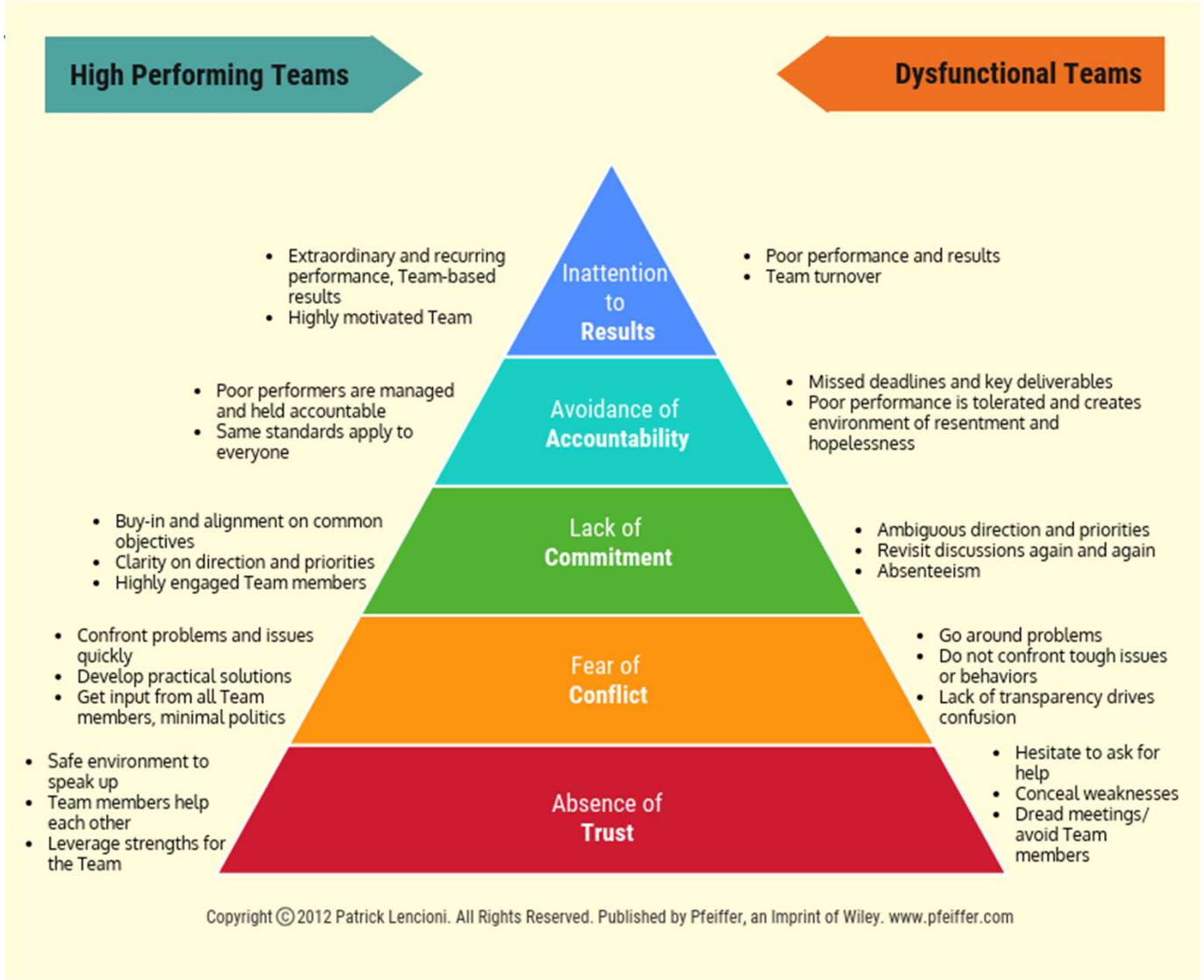


Denise A. Bonebright (2010) 40 years of storming: a historical review of Tuckman's model of small group development, Human Resource Development International, 13:1, 111-120, DOI: 10.1080/13678861003589099



Do it: https://www.manualof.me/ Learn about it: https://medium.com/leapers/introducing-manual-of-me-91021385d812

Overcoming Team Dysfunction



Starting Points

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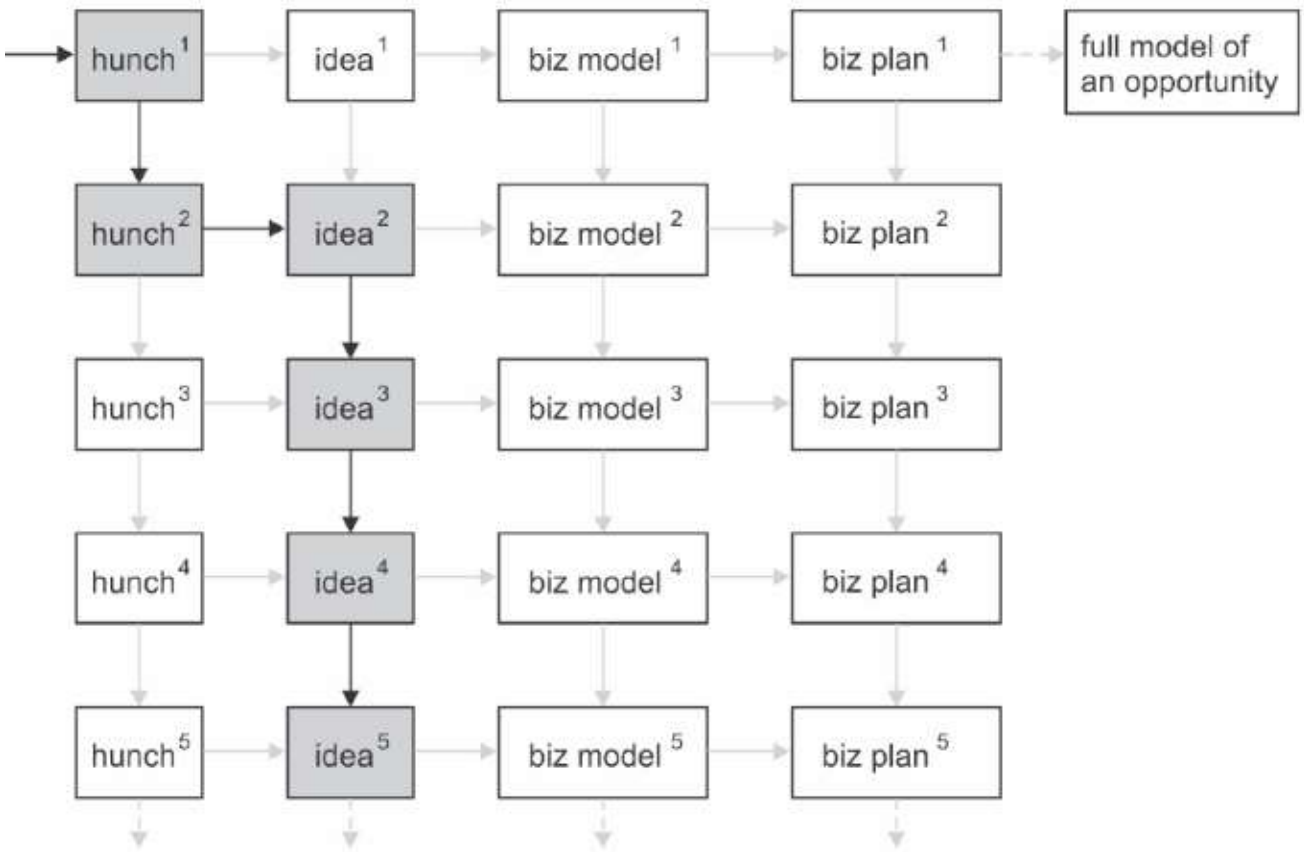
The idea development process is not linear…



Bruton, A. (2016) Deliberate Opportunity Design (DOD)

Good ideas come from ‘Spare Parts’ and ‘Firewood’

Practice origin: Stephen Johnson ‘Where good ideas come from’ (2011)

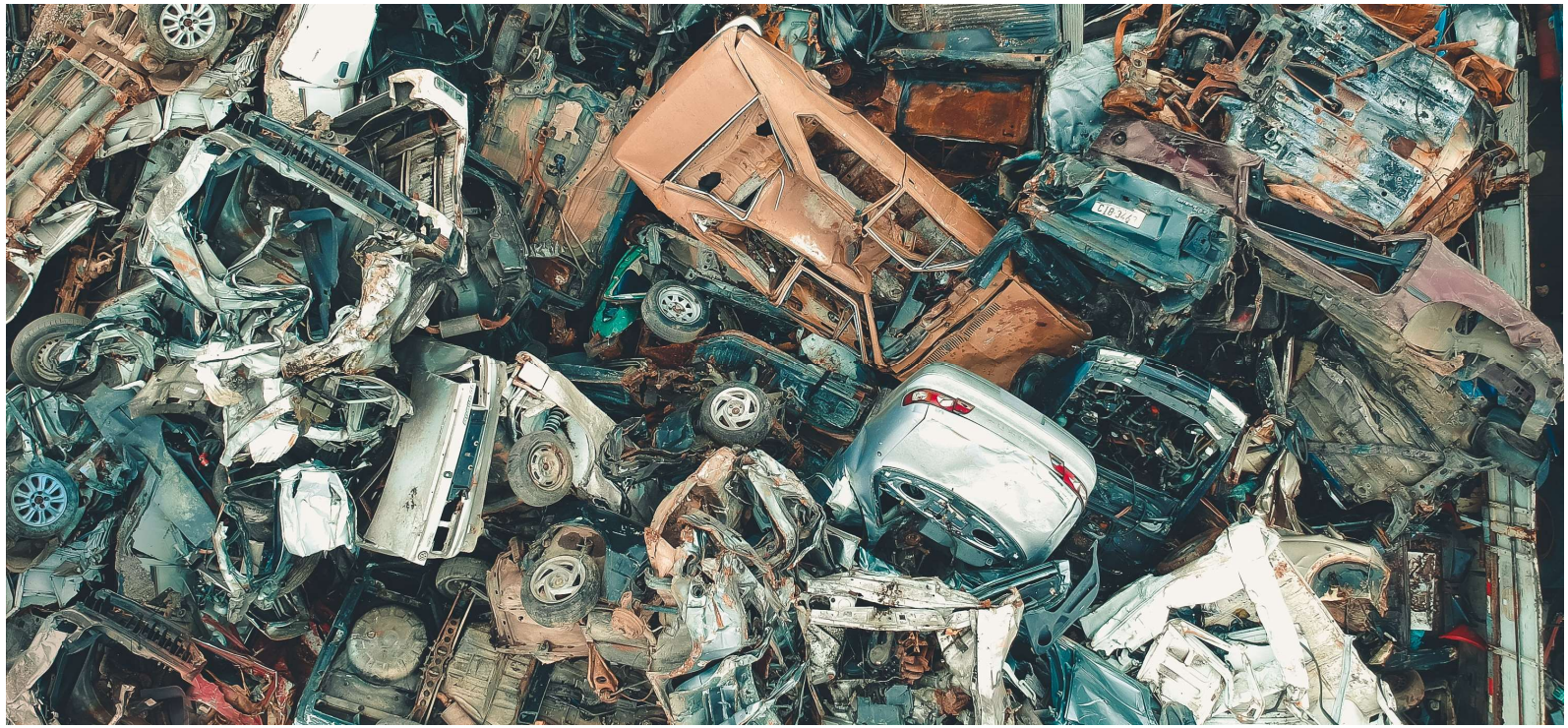


Photo by sergio souza on Unsplash

Spare Parts – Starting Points

Practice origin: Stephen Johnson 'Where good ideas come from' (2011)

Spare Parts or Starting Points are essential elements of the self-assembly approach to developing ideas.

It's using your own context and experience as the source of ideas of value.

A gathering of hunches, interesting test results, and unexpected revelations that make good ideas accessible to everyone.

https://www.telegraph.co.uk/culture/books/8141223/Where-Good-Ideas-Come-From-by-Steven-Johnson-review.html

These are all Starting Points

- **“Opportunities”** - a pressing problem/opportunity that you’ve identified
- **“Pain points” -** a pain point that impacts you or others
- **“Topics”** - a topic that excites you
- **“Trends” -** a trend you would like to explore
- **“Hunches” -** a hunch or theory you have
- **“Ideas” -** an idea you’ve been thinking about

What starting points can you identify for your own challenge?

New tech opportunities? User pain points? Emerging trends? Novel methods or approaches? Niche use-cases?

In groups, share some starting points then…

#1 Categorise:

- Opportunity
- Pain Point
- Topic
- Trend
- Hunch
- Idea

#2 Dig deeper:

- Why?
- *Why?*
- ***Why?***
- ***Why?***
- ***Why?***

#3 Scan:

- **S**ocial trends
- **T**ech trends
- **E**conomic trends
- **E**nvironmental trends
- **P**olitical/Policy trends
- **L**egal trends
- **E**thical trends

Making Sense

Understanding the systems and contexts within which an idea exists

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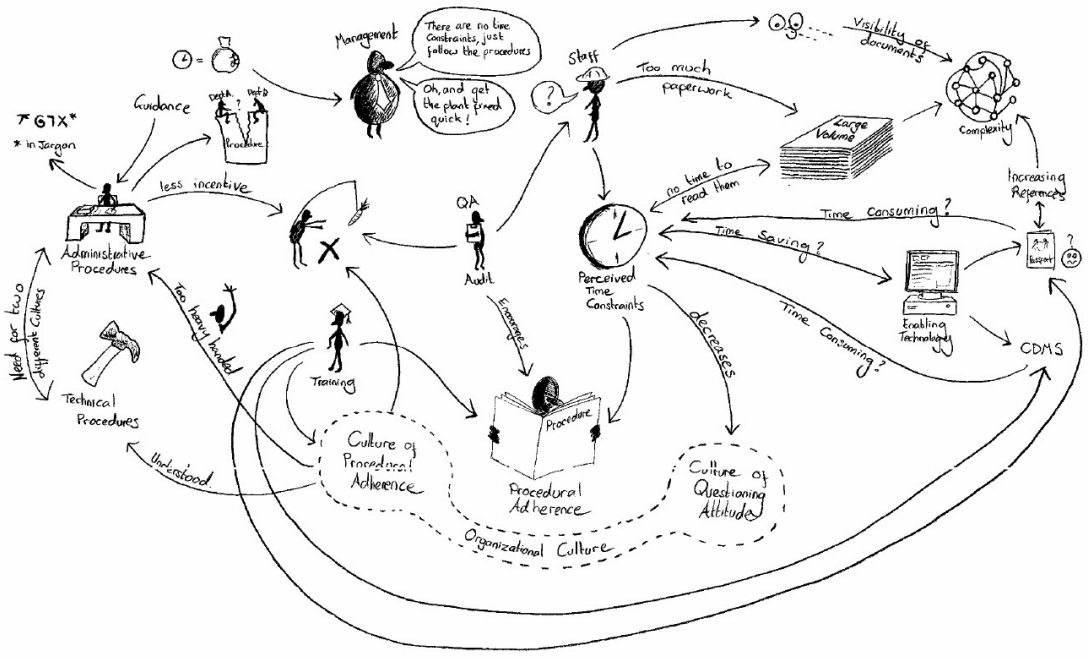
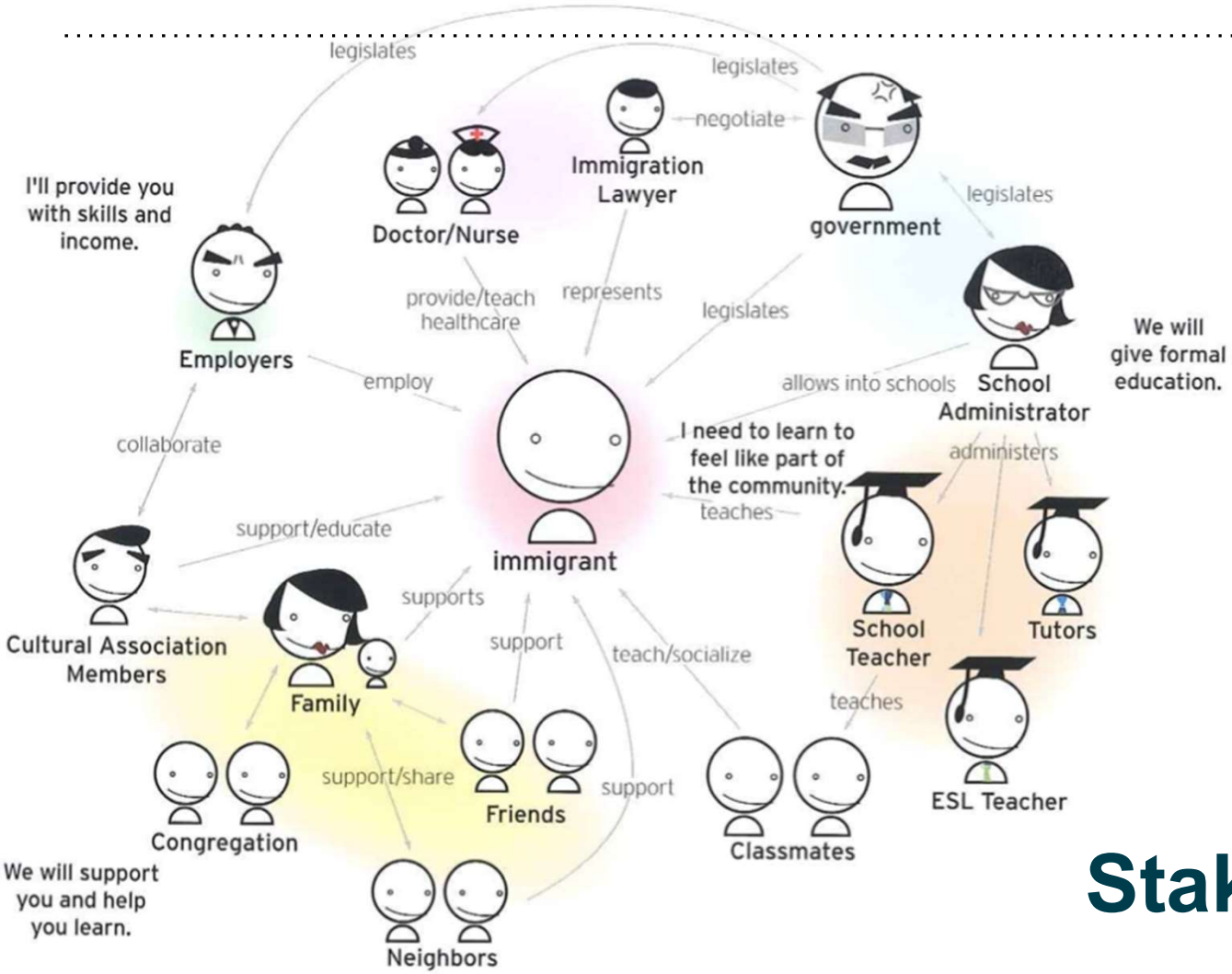
Find a pattern to interrogate the system

Problem Structuring:

- **What** is the problem?
- **Why** is it a problem?
- **When** is it a problem?
- **How** is it a problem?
- **Where** is it a problem?
- **Who** is it a problem for?

• ‘Rich Pictures’:

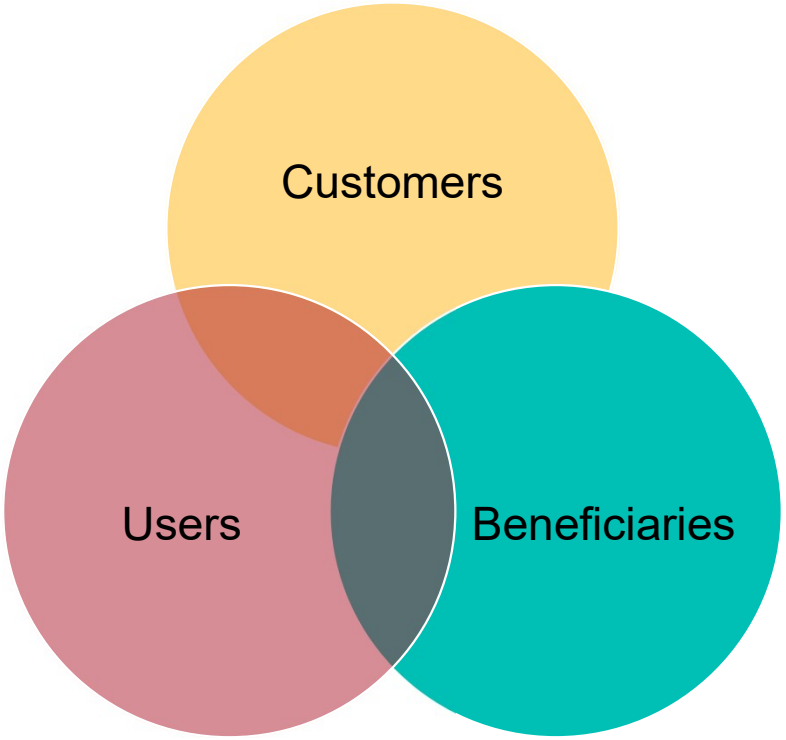




Stakeholder Maps

System Actors

- When you consider your starting point:
  - Who are the customers, who ‘own’ the decision-making? (the ‘gatekeepers’)
  - Who (or what) are the users, who (or what) is using your idea to deliver change?
  - Who are the beneficiaries, who gets impacted positively?

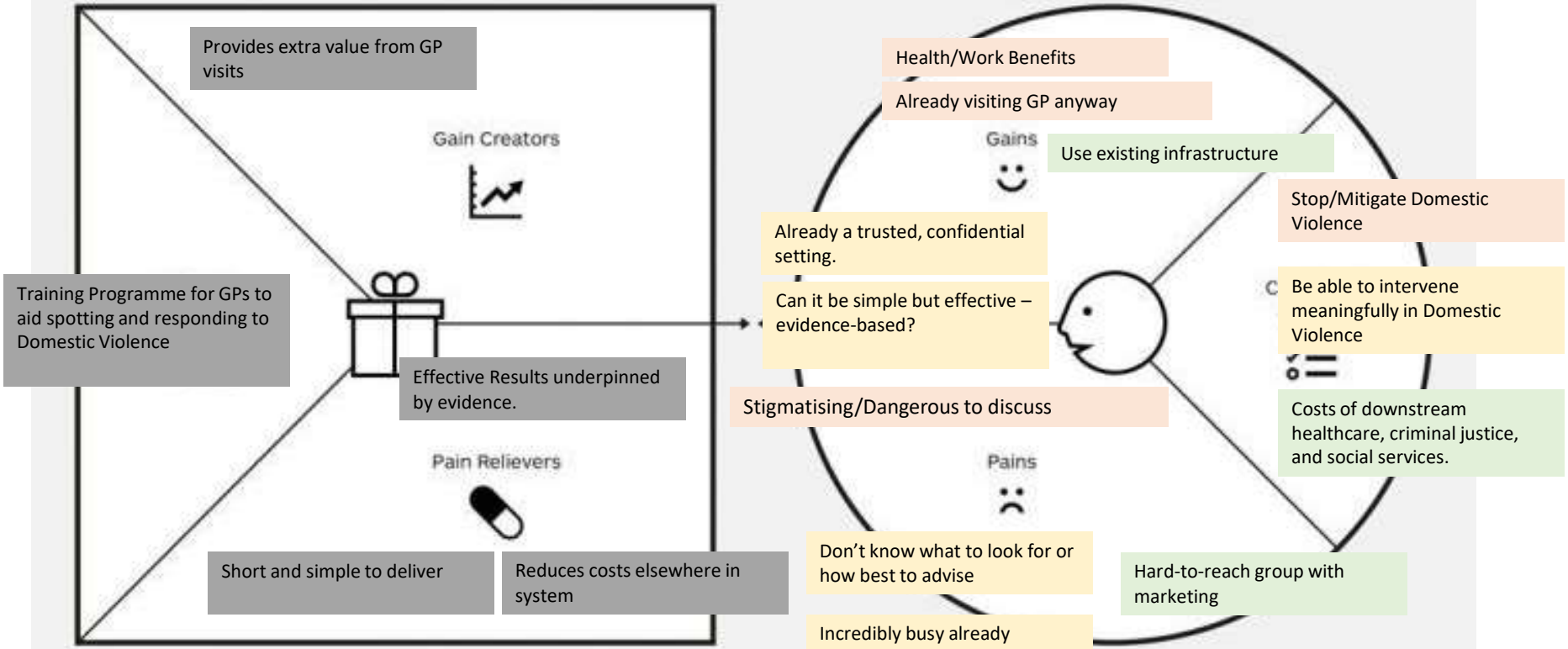


https://futures.nordkapp.fi/system-actors/

The Value Proposition Canvas

Value Proposition: IRISi

Customer Segment



Strategyzer
strategyzer.com

Taking the first step

- Getting started is the hardest bit
- Identify a grand goal
- Identify the gap you're trying to bridge
- Consider your options
- Find a place you're able to start

- **GROW**
  - **Goals** – what will success look like?
  - **Reality** – where are you now?
  - **Options** – how could you bridge the gap? (How Might We?)
  - **Willingness** – which option are you willing and able to take?

Group Task – 15 minutes (it's a rapid work-through!)

- Pick one starting point from those you've identified
  - If it's a problem – fine
  - If it's a solution you might need to identify the problem it solves!
- Identify the System Actors (5 minutes)
  - (Beneficiaries, Users, Customers)
- Identify 3 potential actors you could engage to effect change (5 minutes)
  - (Influence vs Interest)
- Work through the GROW model (5 minutes)
  - (Goals, Reality, Options, Willingness)
- You might generate more questions than answers – that's expected!

A Process of Designing

Introducing *Design Thinking* as a framework for exploring problems and ideas

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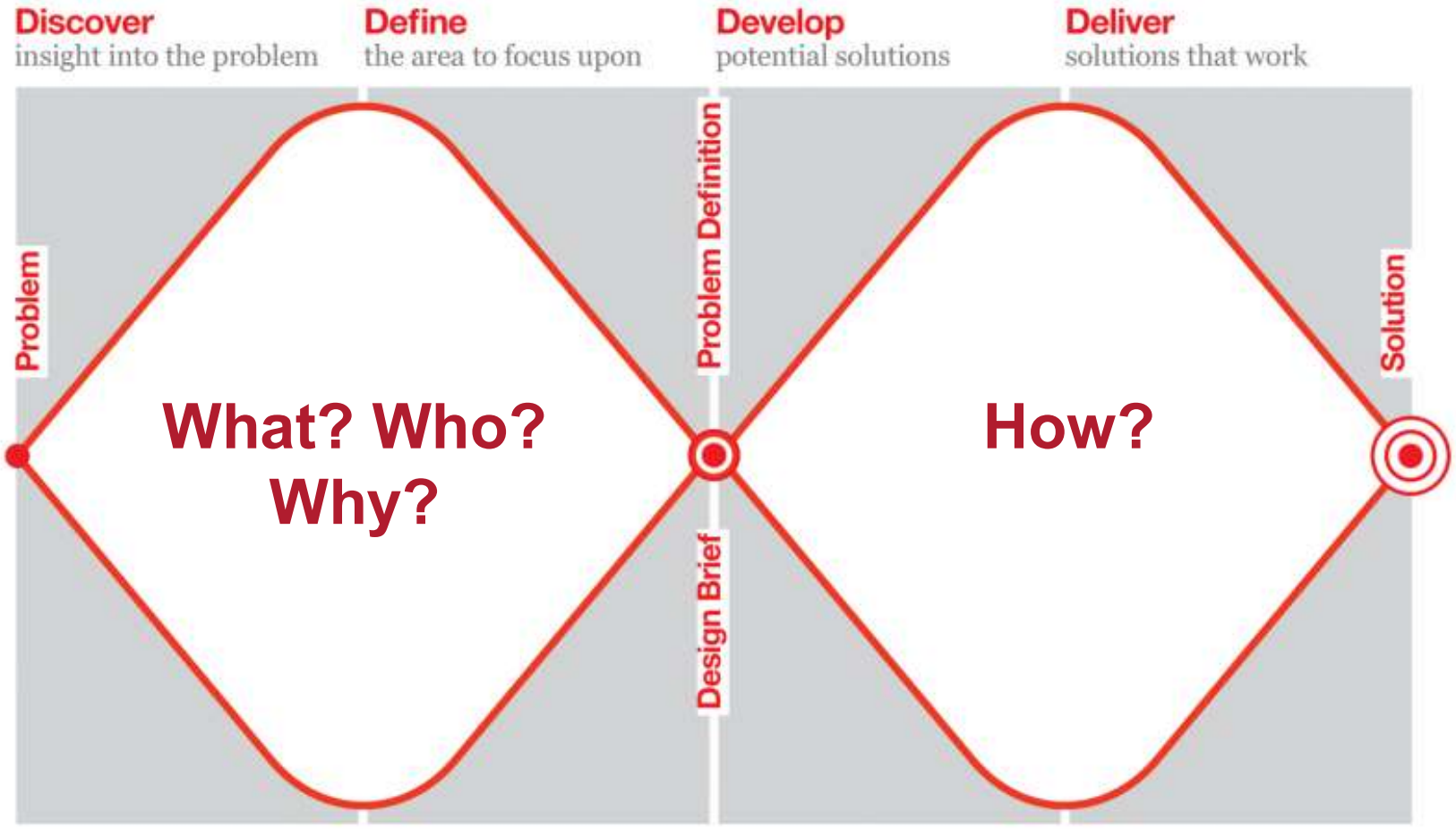
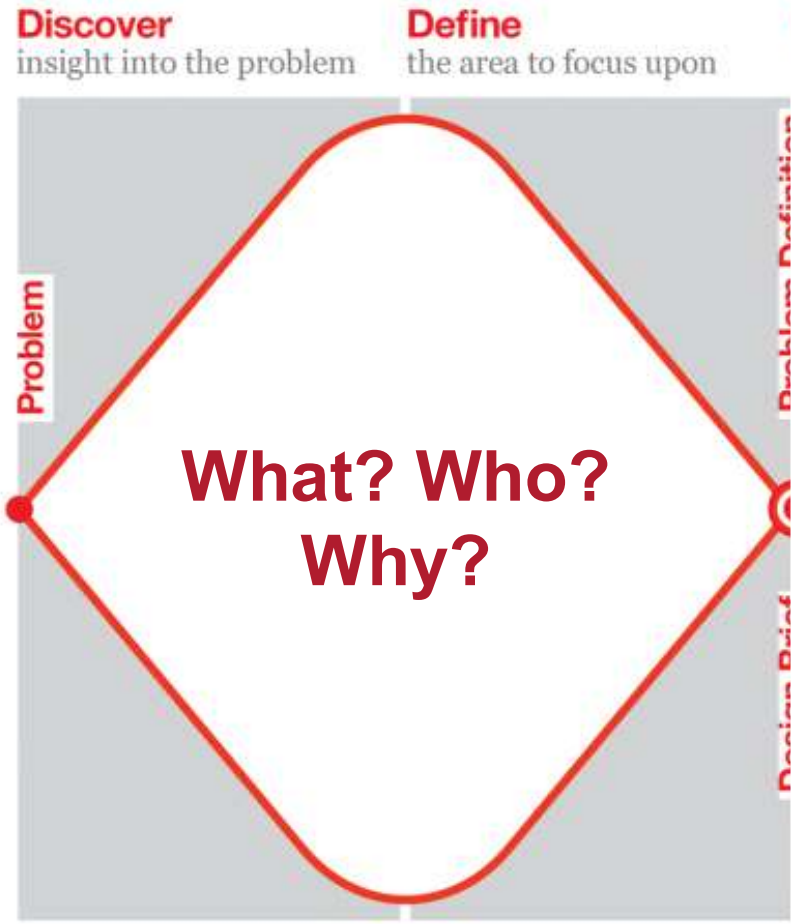


The Design Council's Double-Diamond design process.



The Design Council's Double-Diamond design process.

Discovery & Definition:

- Secondary Research
- Primary Research
  - Stakeholder engagement
  - 'User Experience'
  - 3M's research model:
    - Observation
    - Ask questions
    - Experiment and prototype
- Prioritisation of issues found
- What can be acted upon?

Problem Statements

Who needs a way to do What because Why is important.

Dave needs a way to help him exercise because he struggles to find the time.

GlaxoSmithKline needs a way to test clinical products in routine care settings because they know patients can’t always take their medication when they should.

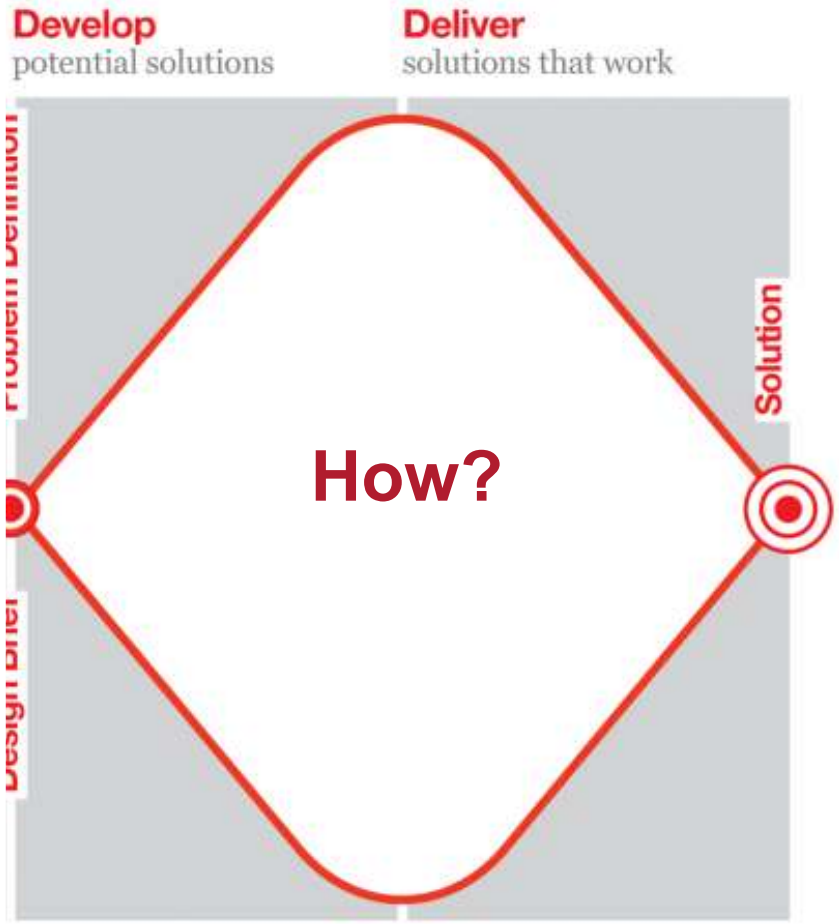
Why? Why? Why? Why? Why?

Generate some initial problems…

Who needs a way to do What because Why is important.

Ideation & Prototyping:

- Generate lots of ideas
- Evaluate those ideas
- Test and Prototype them
- Select the best…



The Design Council's Double-Diamond design process.

Creativity Defined:

- Creativity is the *ability to generate ideas*
- It is **not** musical or artistic ability

How creative are you feeling?

- Creativity Exercise #1
  - Individual Exercise:
    - 1 minute
    - How many ways can you use the mystery object?

- Creativity Exercise #2
  - Group Exercise:
    - 2 minutes
    - How many ways can you use the mystery object?

Defining Innovation

- "An Innovation is the implementation of a new or significantly improved product (good or service)."
  - OECD: Oslo Manual
- An idea – acted upon.
- Success in innovation is measured by its adoption or impact, not its novelty.

- **Product Innovation** – a new product or service (with significant new or improved features)
- **Process Innovation** – a new or improved production or delivery method
- **Marketing Innovation** – changes to positioning, pricing, packaging etc
- **Organisational Innovation** – changes to a firm's practices, organisation or external relations (including the *Business Model*)

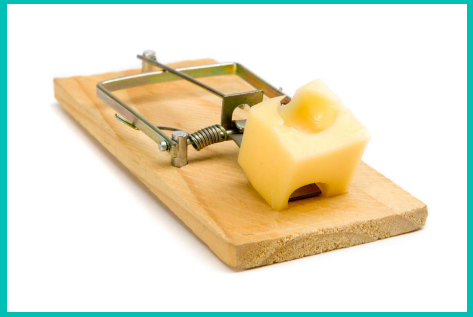
What drives new ideas and innovations?

- Need: identification of problems encourages people to solve them
- Possibility: another breakthrough provides a ‘stepping stone’. Someone asks “what if?”

- Connections & networks
- Time and space to explore
- ‘Spare parts’
- Bravery & foolishness
- “Engineered serendipity”

Ask the right question…

- How do I build a better mousetrap?
- How do I catch more mice?



- What is a shoebox for?
- What could you use a shoebox for?
- How many uses can you think of for a shoebox?
- Can you think of 100 ways to use a shoebox?

Idea-generation principles

- Diverge first!
- Reserve judgement
- Permit the Silly/Crazy/Useless (No Criticism)
- Stretch – ‘generate 100’
- Re-express / Illustrate / Build on other’s Ideas
- Wear someone else’s shoes
- Constraints can give direction

SCAMPER

- **S**ubstitute (materials)
- **C**ombine (purposes)
- **A**dapt (for…)
- **M**odify (scale up or down)
- **P**ut to alternative use
- **E**liminate (an element)
- **R**everse

Generate some initial solutions…

Unintended Consequences

- A systems-based approach also helps identify the wider impacts of innovation…
  - How might a ‘superfan’ of your idea take it too far?
  - How might a ‘bad actor’ abuse your idea?
  - Who or what else disappears or is marginalised if your idea succeeds?

http://tarotcardsoftech.artefactgroup.com/

Evaluating and Developing ideas

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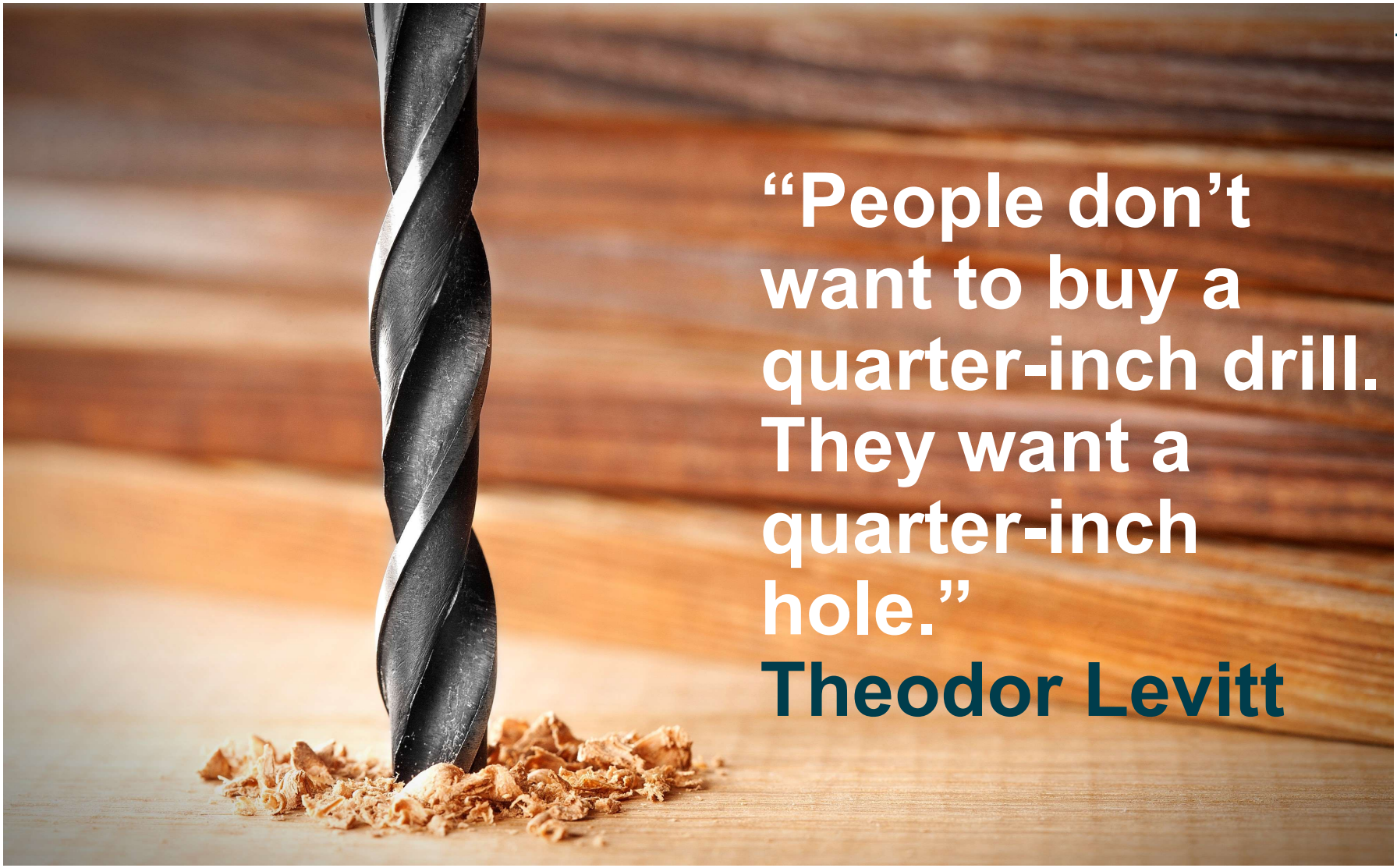
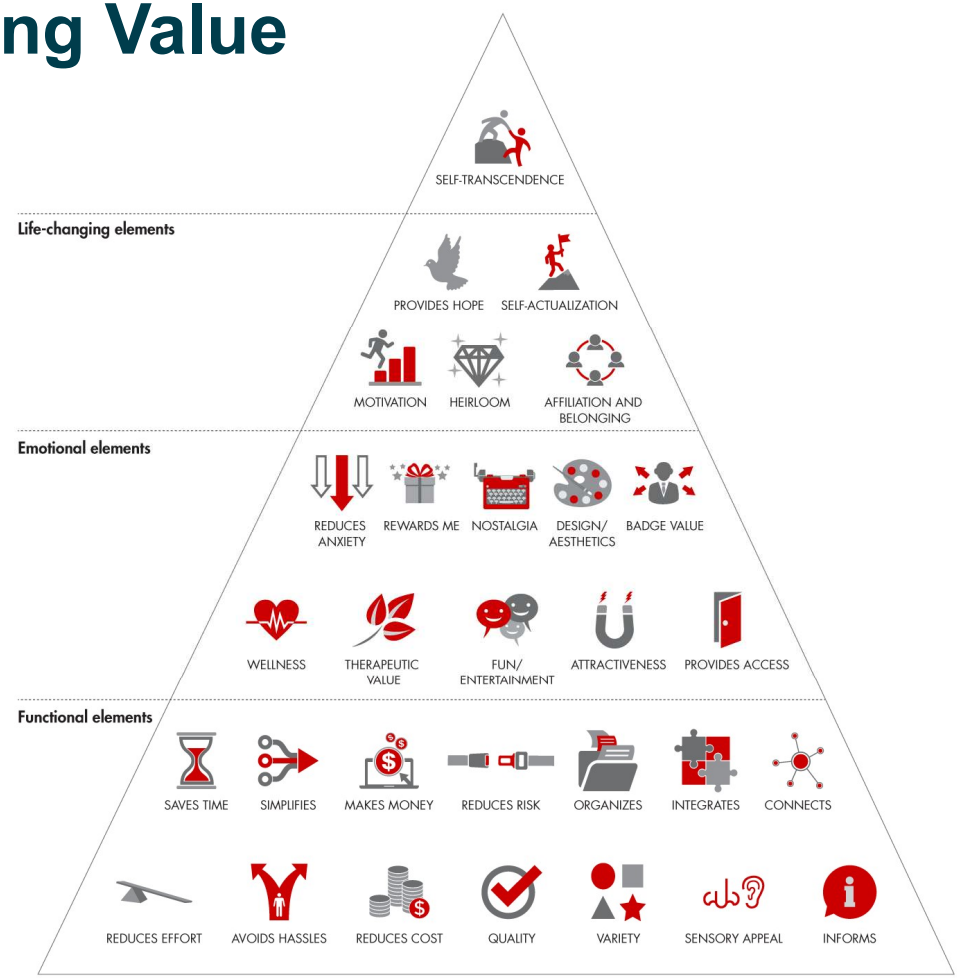
3 Types of Fit

- **On paper** – *Problem-Solution Fit*, works in principle but unproven in practice.
- **In the market** – *Product-Market Fit*, Evidence of customer traction gained through iterative process of testing and validating assumptions. May require a pivot.
- **In the bank** – *Business Model Fit*, Evidence of a route to market and a sustainable business model (maybe even potential for further growth).

Osterwalder & Pigneur: Business Model Generation.


“People don’t want to buy a quarter-inch drill. They want a quarter-inch hole.”
Theodor Levitt

Creating Value



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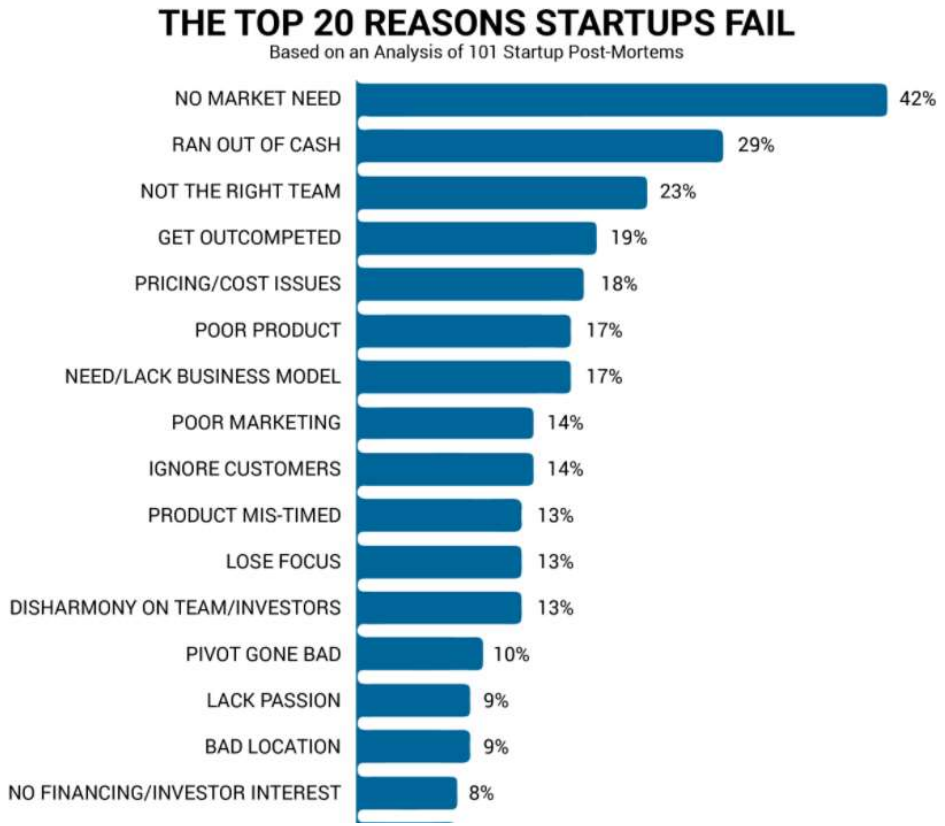
If we have successfully identified and empathised with our users and stakeholders, we can start to identify the values they seek from any interaction.

This is a model developed by consultants Bain & Co as a model for understanding those values. It's a useful starting-point for thinking about framing the value of your offer.

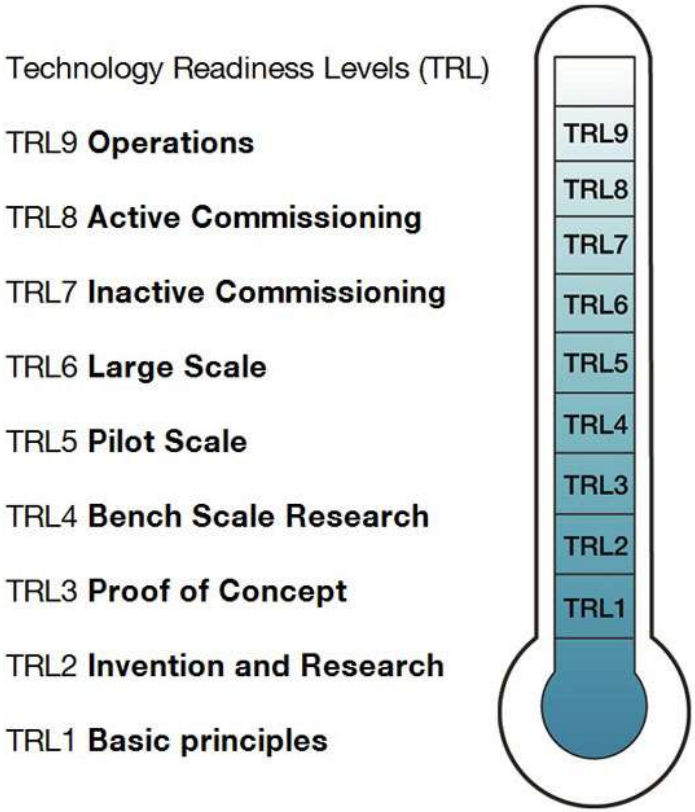
How might you frame the value sought by your users and stakeholders in simple terms?

Validating the problem: the fate of start-ups and spin-outs



https://www.cbinsights.com/research/startup-failure-reasons-top/

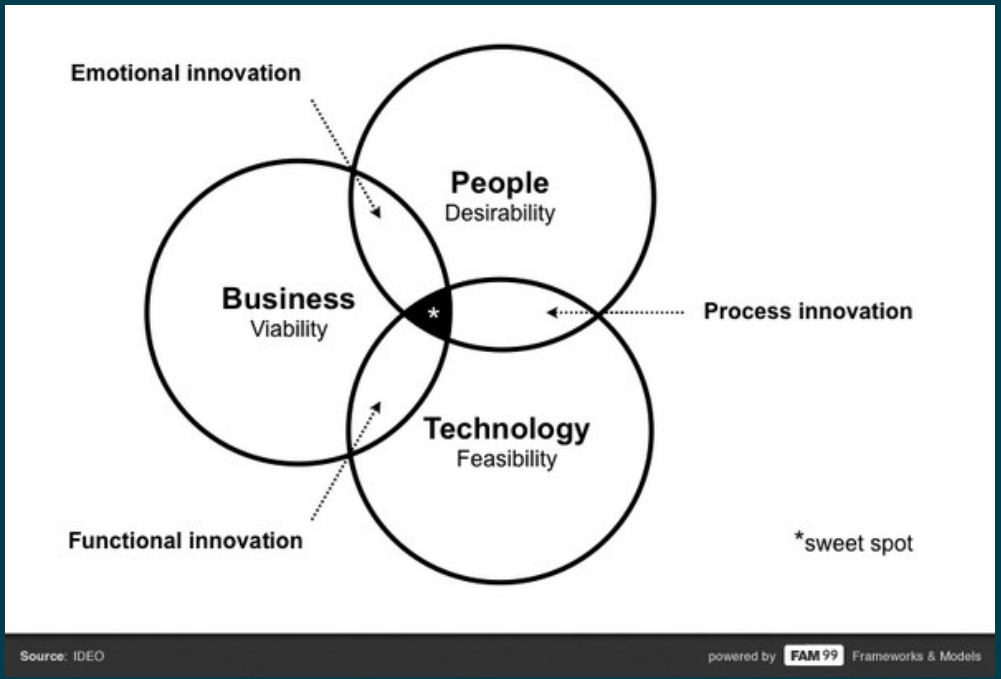
The fate of research ideas



https://www.gov.uk/government/news/guidance-on-technology-readiness-levels

How do you evaluate an idea as a *business* idea?

- Desirability: Do (enough) people want it (more than the alternatives)?
- Feasibility: Can it be made? Will it work?
- Viability: Do the profits outweigh the costs? Can it be sustained and scaled?



The Change Adoption Curve: Everett Rogers (1962)

Different people have different problems…

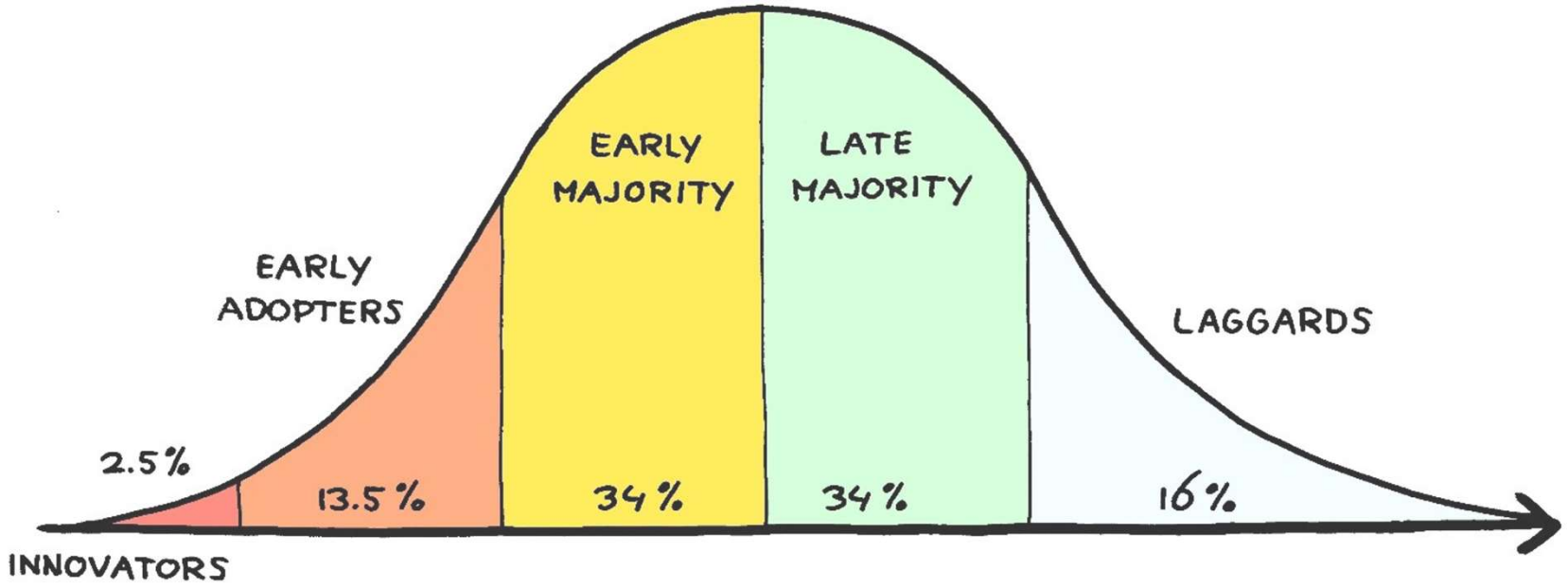
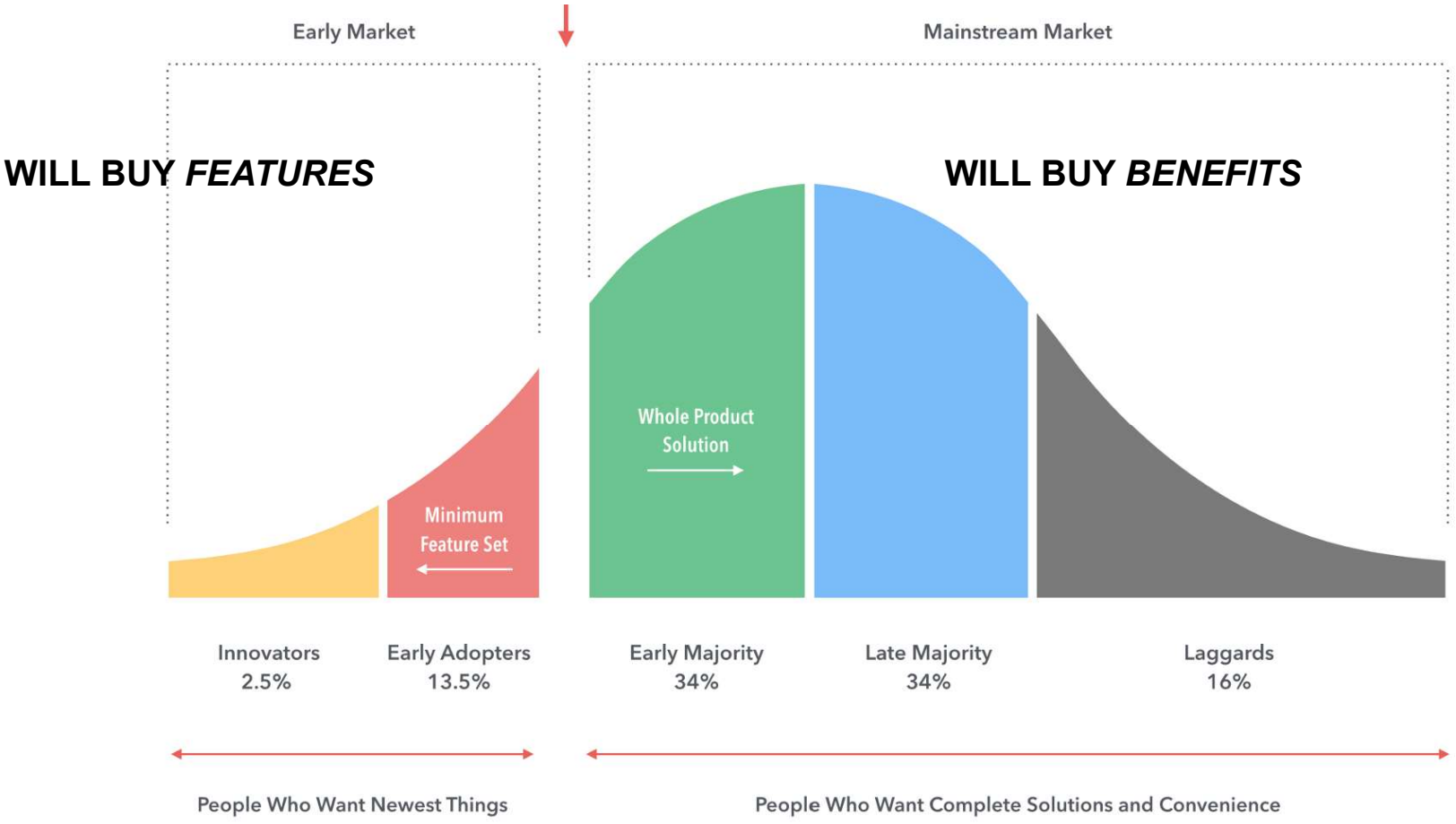


Image: https://www.asaecenter.org/resources/articles/an_plus/2017/september/rethinking-the-change-adoption-curve

Crossing the Chasm… Geoffrey Moore (1991)



Customers only take action if the need is pressing

Would you seek help with

- A stinging nettle rash?
- A deep but small cut on your arm?
- A broken leg?
- Choking on food?
- A heart attack?

Is the need so pressing that they are seeking solutions?

How are your products/services improving lives?

Things to grow

Time and money
Happiness and fulfillment
Confidence + aspiration
Skills and capability
Employability
Friends and Status
Wealth and comfort
Health and fitness

Easier days

Less cost and effort
More fulfilling
More predictable
Fewer mistakes
More fun and laughter
More companionship
Less tiring / frustrating
More freedom / relaxing

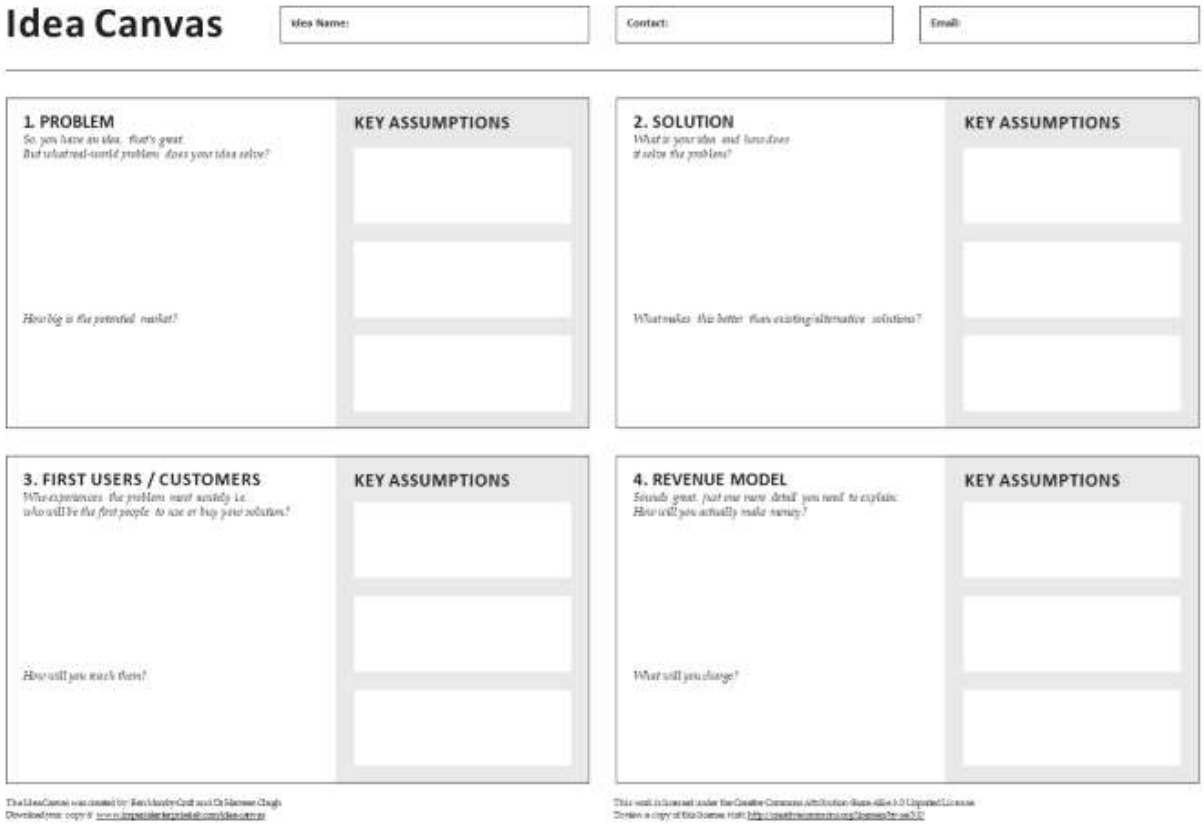
Things to shrink

Wasted time and cost
Physical / mental pain
Stress and misery
Effort to do things
Debt and worry
Bad habits + behaviours
Mental / physical blocks
Weight and ill health

The Formula for Change

Dannemiller & Jacobs, 1992

Try and complete an Idea Canvas



Idea Canvas

Idea Name:

Contact:

Email:

1. PROBLEM

So, you have an idea, that's great.
But what real-world problem does your idea solve?

How big is the potential market?

KEY ASSUMPTIONS

2. SOLUTION

What is your idea and how does it solve the problem?

What makes this better than existing/alternative solutions?

KEY ASSUMPTIONS

3. FIRST USERS / CUSTOMERS

Who experiences the problem most acutely i.e. who will be the first people to use or buy your solution?

How will you reach them?

KEY ASSUMPTIONS

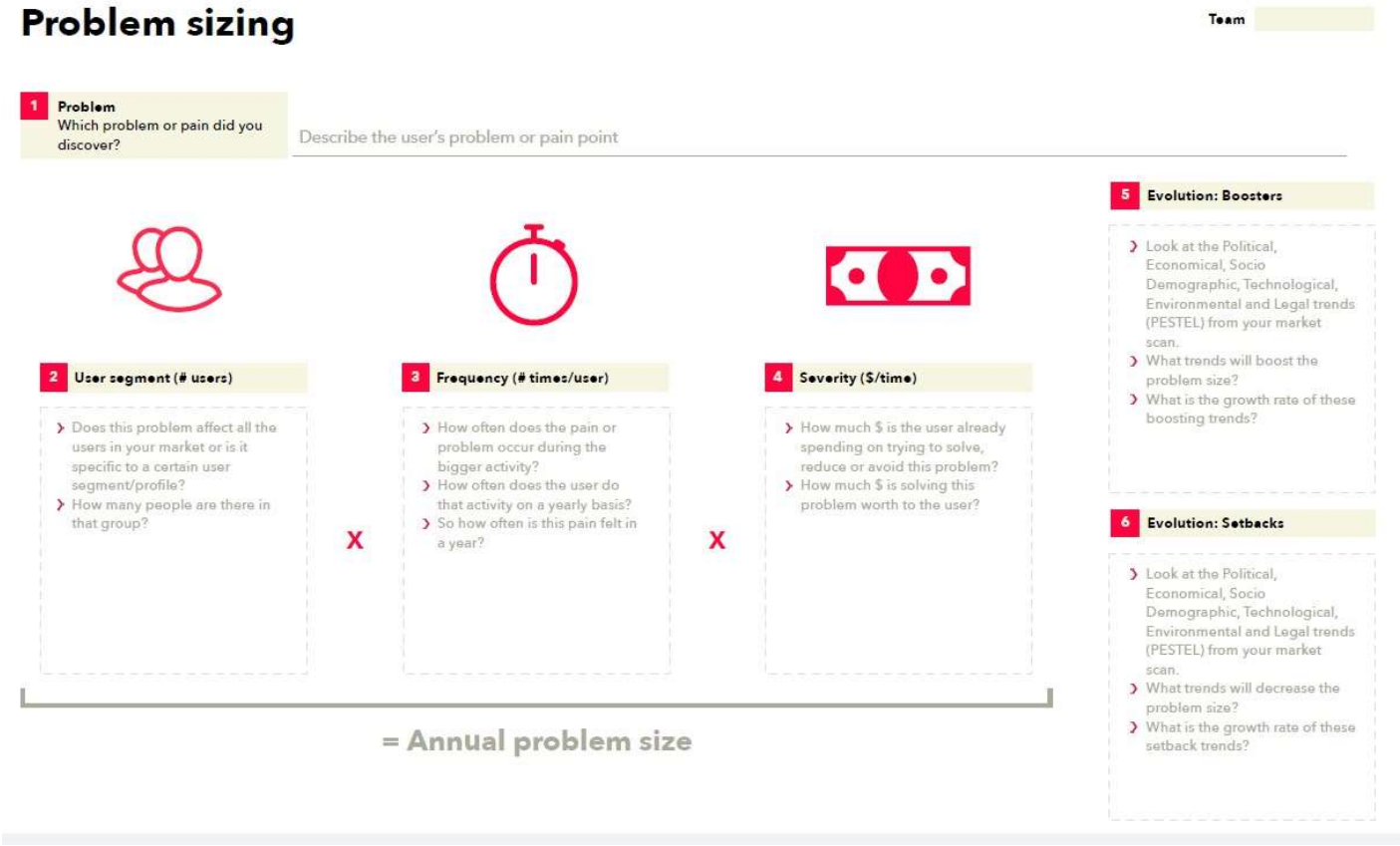
4. REVENUE MODEL

Sounds great, just one more detail you need to explain:
How will you actually make money?

What will you charge?

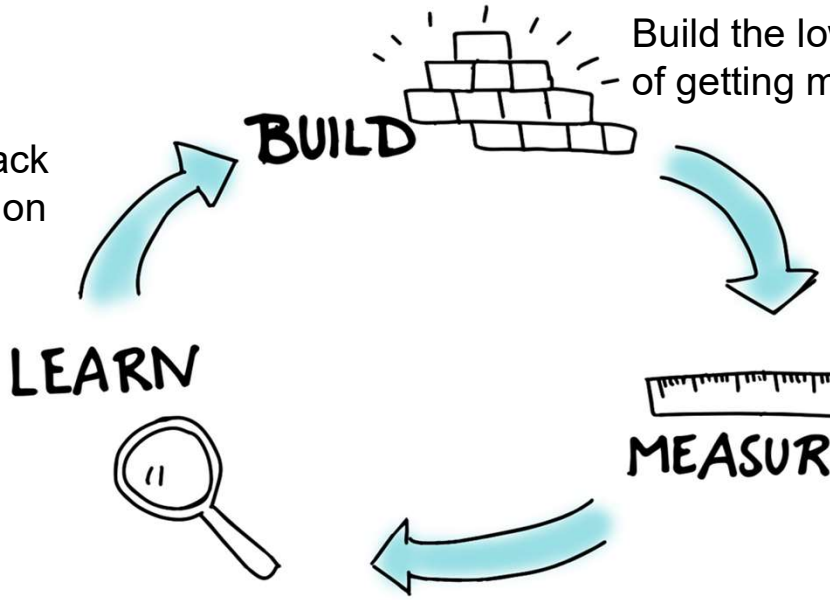
KEY ASSUMPTIONS

if you have just a problem… use the problem sizing canvas



Co-create new products with your prospective customers

Learn how to incorporate feedback into the next iteration of the product



Build the lowest cost prototype capable of getting meaningful feedback

Measure feedback, noting any opportunities for improvement

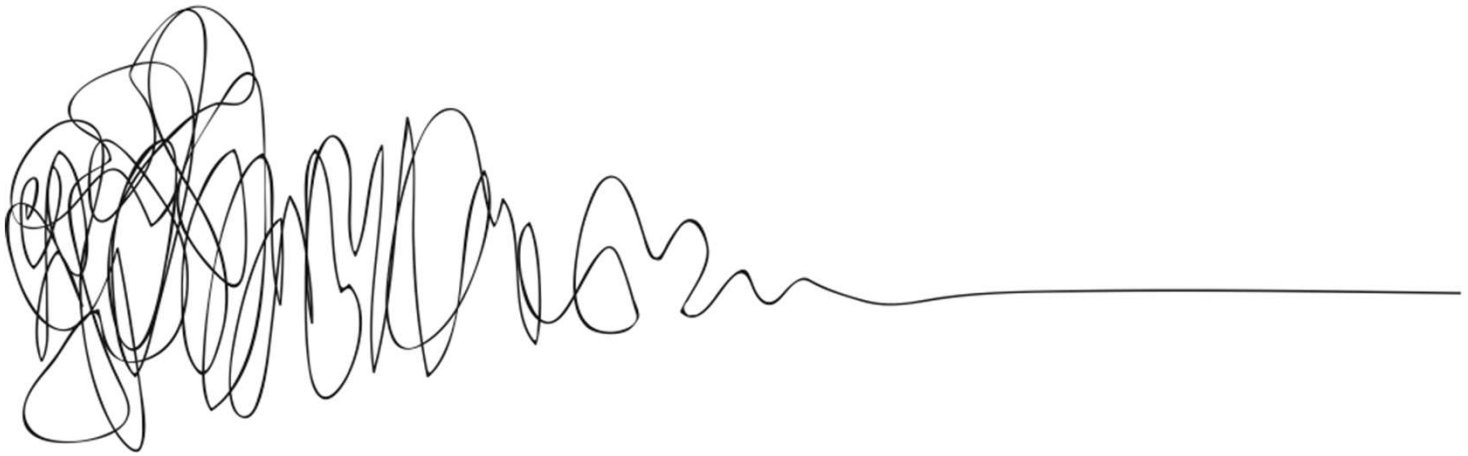
Eric Ries: The Lean Startup

HINCHLEY WOOD POST OFFICE
SPAR
SPAR BRANDS
WALLIS

The Design Squiggle

Noise / Uncertainty / Patterns / Insights

Clarity / Focus

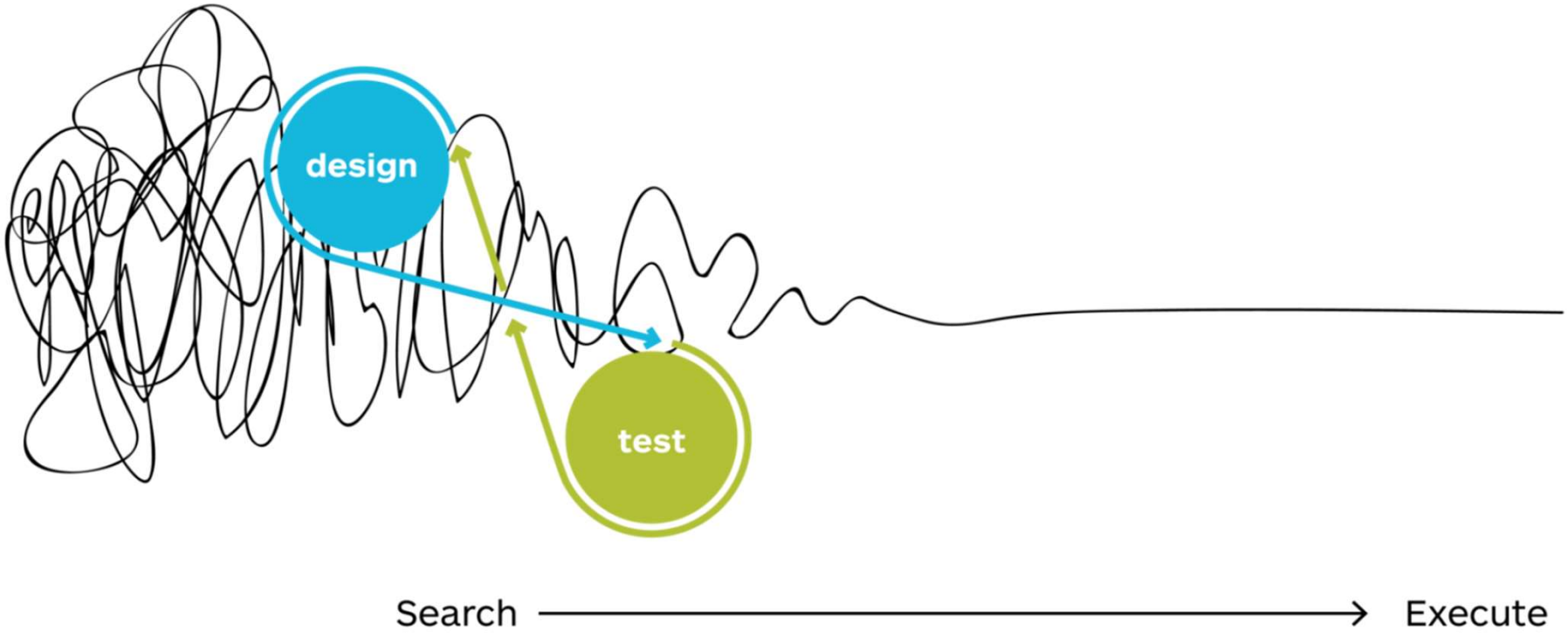


Research & Synthesis

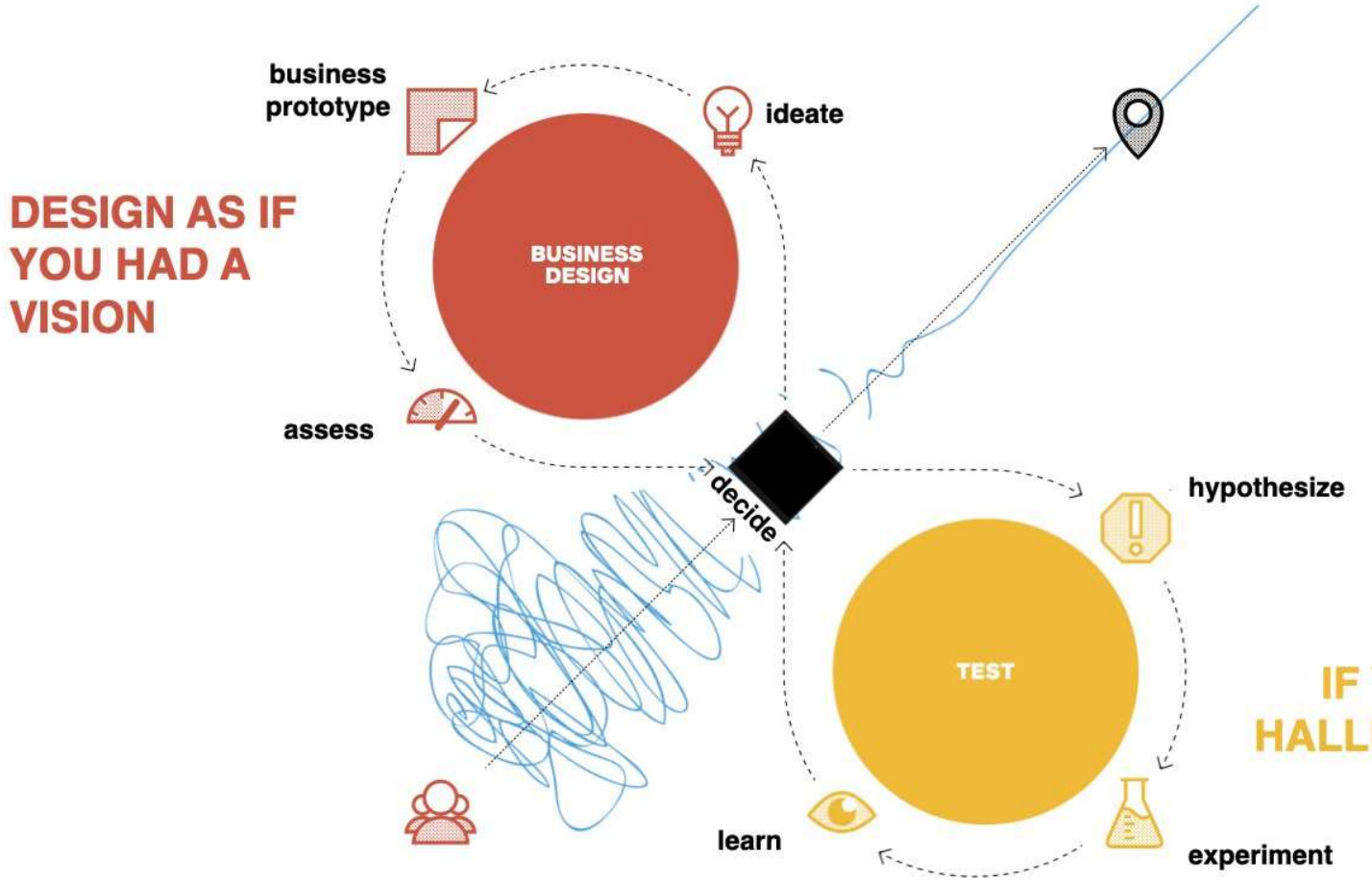
Concept / Prototype

Design

Source: Damien Newman



Strategyzer.

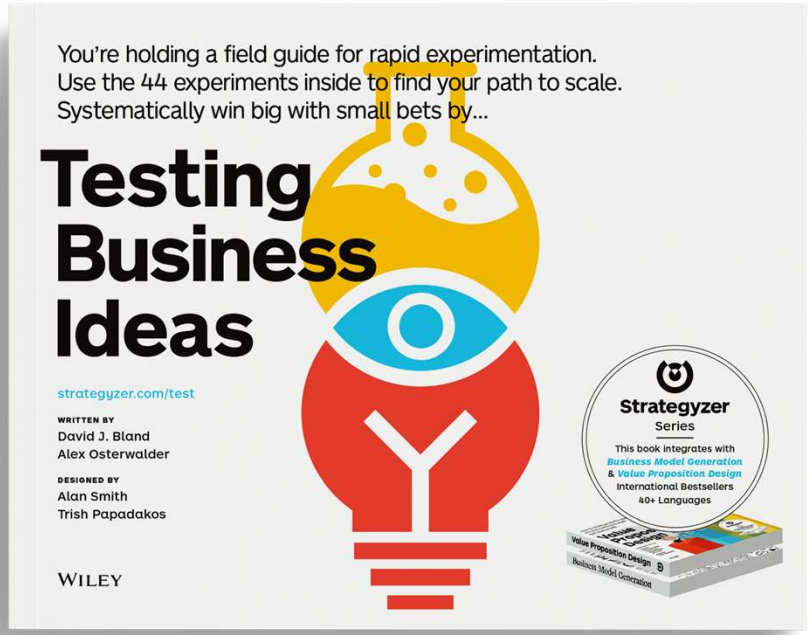


Alex Osterwalder. https://twitter.com/AlexOsterwalder/status/1405065914840649728/photo/2

“It doesn’t matter how beautiful your theory is, it doesn’t matter how smart you are. If it doesn’t agree with the experiment, it’s wrong.”

Richard Feynman, Theoretical Physicist.

Very useful books - Strategyzer



Images: https://www.strategyzer.com/books

Business Plans

What goes into a business plan to make it convincing?

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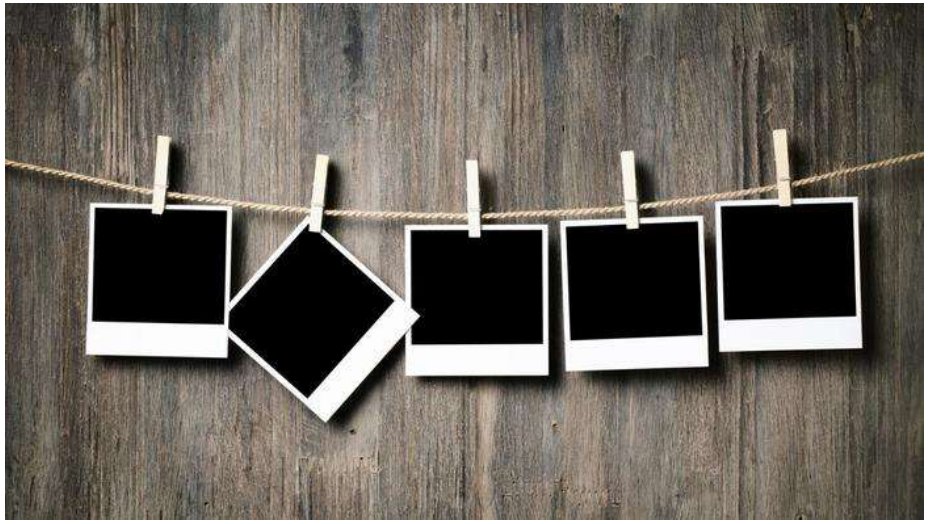
Business Plans

- What is a Business Plan?
  - A methodology?
  - A blueprint?
  - A forecast?
  - A guess?
  - A snapshot in time?
- All of the above.
- A compelling story (with evidence)
- A set of qualified assumptions.



Business Plans

- Why do you need one?
  - To work to?
  - To share?
  - As a thinking exercise.
- If you can't articulate it that might be a problem…
- Share with who?
  - Investors
  - Customers
  - Your Team

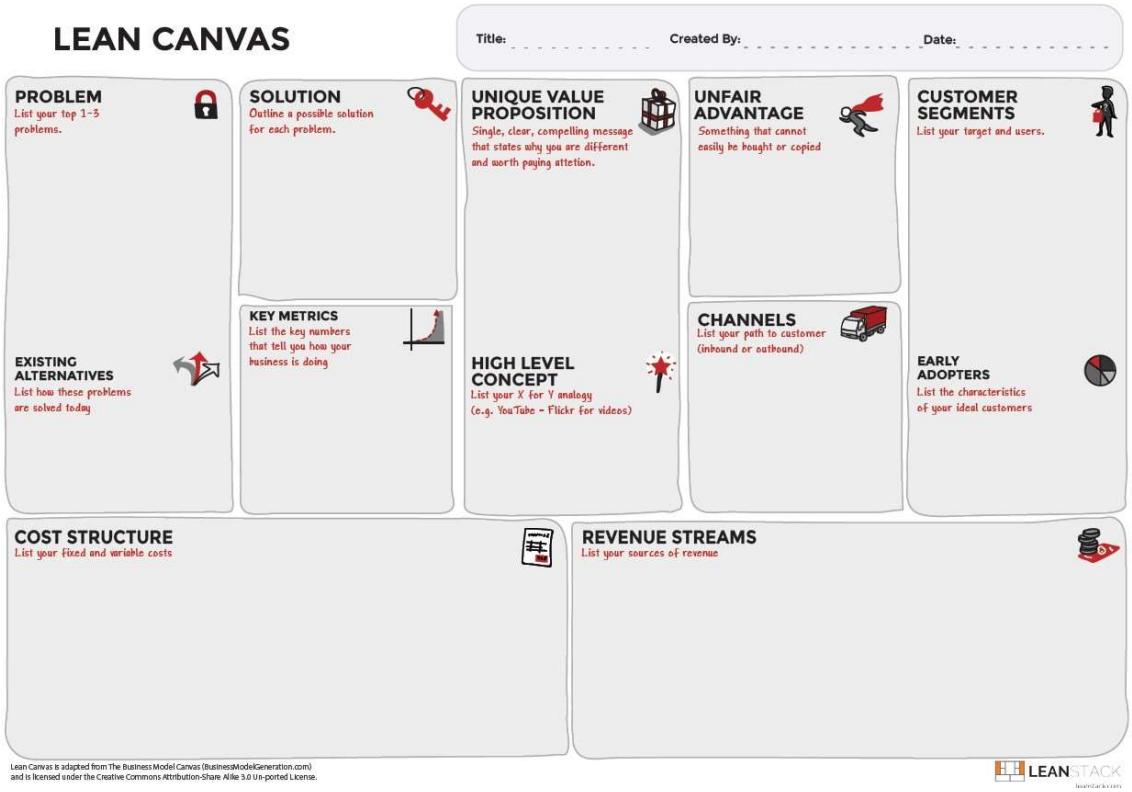
Business Plans

- No ideal size or structure.
- Exec summary is a must.
- Then lead with whatever is most compelling…
- Provide evidence that qualifies the assumptions you're making.

'Typical' Elements:

- Product/service description – what is it?
- Market analysis – who wants it?
- Competitor analysis – who are we up against?
- Strategy – how will we succeed?
  - Pricing
  - Route to Market
  - IP/barriers to entry
- Logistics/operations – details, details…
- Team – who are we?
- Financials – do the numbers add up?
  - Where does the money come from
  - Including potential exits

A Business Plan on one page? Try the ‘Lean Canvas’



The Elevator Pitch

- **Who** are you?
- **What** is it: either:
  - 1: *This* is a problem, *here* is our solution.
  - 2: *This* is our idea, it solves *this* problem.
- **Why:** It's better than the existing options because…
- (If you have time): **How** you'll achieve this…

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